

MEMORANDUM

TO: Mayor Craig Brown and Members of Council

CC: City Manager Office, Executive Leadership Team, City Attorney Office

FROM: Sally Bakko, Director of Policy and Governmental Relations

DATE: December 21, 2023

RE: Legislative Report: Austin and Washington Update

Please find below an update on legislative activities in Austin and Washington. *(To access links below, control+click on link.)*

City of Galveston Submits Comments on FTA Transit Worker Rest Periods

The City of Galveston submitted a comment letter (attached) to the Federal Transit Administration (FTA) Advanced Notice of Proposed Rulemaking (ANPR) regarding consideration of minimum safety standards for adequate rest periods for transit workers to reduce fatigue-related safety incidents. Public input will guide decision-making on whether and how FTA would pursue regulatory action in these two areas.

Austin Update

TWDB Flood Infrastructure Fund - Abridged Application Period Open

The TWDB invites entities to submit information on projects to be included in the SFY 2024-2025 Flood Infrastructure Fund IUP. To be included in the initial project priority list, entities must submit a completed abridged application due **March 15**. For more information, please visit the [TWDB website](#).

Eligible projects must be a Flood Management Evaluation (FME), Flood Mitigation Project (FMP), and/or Flood Management Strategy (FMS) recommended in a regional flood plan. TWDB will prioritize projects for funding based upon procedures and criteria outlined in the [Draft Flood Infrastructure Fund \(FIF\) SFY 2024-2025 Intended Use Plan \(IUP\)](#) (**IUP comment period closes January 3rd**). The FIF project funding cycle will occur through the following steps:

1. Submit Abridged Application

Project information is collected to assist TWDB with prioritizing projects and determining the best source of funding without requiring a full application to be completed.

2. Project Prioritization

TWDB will score the abridged applications utilizing criteria and methodology anticipated to be used in the ranking of projects for the 2024 State Flood Plan, in addition to the criteria listed under the Prioritization Criteria section of the draft IUP. The resulting scores will determine the prioritization of funding for this IUP cycle of the FIF.

3. Invitation to Apply

Selected applicants will be invited to complete a full application for assistance.

4. Financial Assistance Commitments

TWDB Executive Administrator will make financial assistance recommendations for TWDB consideration and approval.

5. Close on Financial Assistance

Entities will have specific timeframes in which they must close on their financing based on grant and/or loan assistance is approved.

Texas Broadband Development Office Updates and Key Upcoming Events

(All times are in Central Standard Time.)

- **Dec. 27, 2023** – Deadline for the Texas Broadband Development Office (BDO) to submit its Initial Proposal to the National Telecommunications and Information Administration (NTIA) for Broadband Equity, Access, and Deployment (BEAD) funding. The Infrastructure Investment and Jobs Act (IIJA) authorized the BEAD program to provide Texas \$3.3 billion in funding for high-speed internet expansion projects. To access funding through the BEAD program, the BDO is required to submit to the NTIA an Initial Proposal outlining approaches to pursue universal service, including an availability challenge process and a subgrantee selection process, and highlight any requirements and expectations of potential subgrantees.
- **Jan. 3, 2024** – [Technical Assistance Webinar Series](#) – Organized Advocacy: The Need for Local Coalitions and State Networks.
- **Jan. 4, 2024** – [Local Government Roundtable 10 a.m.](#)
- **Jan. 5, 2024** – Last day the BDO will accept comments for the [Texas Digital Opportunity Plan](#) draft.
- **Jan. 10, 2024** – [Technical Assistance Webinar Series](#) – Demystifying Broadband Basics and Funding Digital Opportunity.
- **Jan. 30, 2024** – [Industry Roundtable 3 p.m.](#)

▪ Affordable Connectivity Program Information and Eligibility

A household is eligible for the Affordable Connectivity Program (ACP) if the household income is at or below 200 percent of the [Federal Poverty Guidelines](#), or if a member of the household meets at least one of these criteria:

1. Receives a Federal Pell Grant during the current award year.
2. Meets the eligibility criteria for a participating ISP's existing low-income internet program.
3. Participates in at least one of these programs:
 - Supplemental Nutrition Assistance Program.
 - Federal Public Housing Assistance.
 - Supplemental Security Income.
 - Special Supplemental Nutrition Program for Women, Infants and Children.
 - Veterans Pension or Survivor Benefits.

[Learn more about the ACP.](#) Texas currently has 224 ISPs that offer a low-cost ACP subscription. Click on the following link to locate an [ACP company](#).

Washington Update

FY 2024 Appropriations Update

▪ FY 2024 Transportation, Housing and Urban Development (THUD) Appropriations bill

The THUD appropriations bill is the legislative vehicle that holds the transit, community development, and HOME program formula funds received by the City of Galveston. A version of the FY 2024 THUD appropriations bill has passed the Senate, but not the House.

▪ Continuing Resolution (CR) and Full Year Appropriations Status

With the House and Senate now adjourned for the Christmas recess without further action on FY 2024 appropriations legislation, members of Congress face a complicated opening to 2024 involving border

security negotiations, the President's supplemental request for Israel and Ukraine, and two government funding deadlines. The first government funding deadline, which deals with funding military construction and the departments of Veterans Affairs; Transportation; Housing and Urban Development; Agriculture; and Energy, is set for January 19th, less than two weeks after members return from the holidays. The rest of the government, including Defense, is only funded for an additional two weeks, through February 2nd.

With no agreement on top-line funding numbers and how much to allocate in each of the 12 appropriations bills, some members lean towards a possible year-long continuing resolution (CR) funding bill at current levels to avoid a government shutdown. A further complication is without agreement on all 12 appropriations bills before April 30, a 1-percent cut for all fiscal 2024 defense and nondiscretionary spending would take place.

Congress Passes Short-term FAA Reauthorization

The Senate passed a short-term extension of the Federal Aviation Administration (FAA) funding authority until March 8th, averting a lapse in FAA authorization before senators adjourned for the holidays this week. The bill goes to the president and becomes the second extension of FAA funding authority in the last three months as senators continue to negotiate a long-term FAA reauthorization bill that has stalled since June. Without an extension, the FAA on January 1st would lose its authority to collect revenues from the Airport and Airway Trust Fund — financed by excise taxes on passengers, cargo and fuel that funds airport infrastructure projects and other aviation programs. The bill provides a simple extension of current FAA funding authority without policy riders and allows lawmakers more time to negotiate and pass a long-term FAA reauthorization bill. The Senate's five-year FAA reauthorization bill has stalled since June due to disagreements over pilot training requirements, adding more flight slots to Ronald Reagan Washington National Airport, and raising the pilot retirement age. The House passed its full reauthorization bill in July.

Proposed FTA Directive Requires Actions to Mitigate Assaults on Transit Workers

This week the Federal Transit Administration published a [proposed General Directive](#) that would require each transit agency subject to the FTA Public Transportation Agency Safety Plans (PTSAP) regulation to:

- conduct a safety risk assessment related to assaults on transit workers on the public transportation system they operate using the Safety Management Systems (SMS) processes outlined in their Agency Safety Plan;
- identify safety risk mitigations or strategies based on its safety risk assessment. As required by the Bipartisan Infrastructure Law, each transit agency serving a large urbanized area must involve the joint labor-management Safety Committee when identifying safety risk mitigations; and
- provide information to FTA on how they are assessing, mitigating and monitoring the safety risk related to assaults on transit workers within 60 days of issuance of the final General Directive.

For the purposes of this proposed General Directive, "transit worker" means any employee, contractor, or volunteer working on behalf of a transit agency, who comes in to contact with the public while performing their duties. Information provided to FTA will be used to guide future FTA regulatory actions planned to advance transit worker safety. **Public comments on the proposed General Directive must be submitted by February 20, 2024.**

DOE Grant Opportunity to Implement Latest Innovative Building Energy Codes

The Department of Energy (DOE) [announced](#) up to \$530 million in technical assistance competitive grants available for the adoption and implementation of the latest model energy codes, zero energy codes, building performance standards, and innovative codes that achieve equivalent energy savings. The funding announcement is open to states, territories and local units of government that have the authority

to adopt building codes and follows an earlier formula funding announcement for states and territories. **Concept papers are due February 9 and full applications are due April 30.**

US Treasury State and Local Fiscal Recovery Funds Workshop on January 16

The U.S. Department of the Treasury is conducting a workshop on the 2024 State and Local Fiscal Recovery Funds (SLFRF) annual report due April 30, 2024. The workshop provides key resources and a live “how-to” training demonstration to complete the annual report.

The workshop covers the following topics:

1. Reporting responsibilities;
2. Updating user roles;
3. A Treasury Reporting Portal demonstration; and
4. Compliance responsibilities.

The workshop is scheduled for **2:00 pm (CST) on January 16, 2024**. Register [here](#). Treasury recommends that staff who administer their city’s SLFRF funds attend. Specifically, staff directly administering budget, finance, policy, grants, housing programs, Capital Improvement Plan programs, emergency management programs, or other functions of the SLFRF program.

In addition, Treasury has provided the following resources:

1. [Link to subscribe to the SLFRF Newsletter](#)
2. [NEU Quick Reference Guide](#)
3. SLFRF Explainer Video Series:
 - a. [SLFRF New User Explainer Video](#)
 - b. [How-To Troubleshoot the Quarterly and Annual Report](#)
 - c. [SLFRF User Roles Explainer Video](#)
 - d. [SLFRF Reporting Resources Explainer Video](#)

Reports of Interest

CBO Updates Economic Projections for 2024-2025

The Congressional Budget Office (CBO) [released](#) its *Current View of the Economy from 2023 to 2025*, projecting output growth will slow in 2024 and rebound in 2025. The growth of real gross domestic product (GDP) is projected to fall from 2.5 percent in 2023 to 1.5 percent in 2024 as consumer spending weakens. In 2025, real GDP is projected to rise to 2.2 percent, supported by lower interest rates and improved financial conditions. CBO also projects labor market conditions to soften in 2024, and the unemployment rate to rise from 3.9 percent in the fourth quarter of 2023 to 4.4 percent in the fourth quarter of 2024, remaining close to that level through 2025. The projections also estimate inflation will continue to slow over the next two years and approach the Federal Reserve’s target rate of 2 percent.